

# **King County Quarterly Economic Measures**

## **Fourth Quarter, 1997**

### **Table of Contents**

Executive Summary.....	1
U.S. Economic Measures.....	6
Interest Rates .....	6
AA Bond Rates .....	6
General Indicators of Economic Activity.....	7
Industrial/Manufacturing Measures .....	8
Employment.....	9
Income Measures .....	10
Construction.....	11
Office Market (Seattle Overall, Downtown Seattle, Northend) .....	12
Office Market (Southend, Bellevue/Eastside).....	13
Industrial Market (Seattle).....	15
Industrial Market (Kent Valley) .....	16
Industrial Market (Eastside) .....	17
Retail Market .....	18
Apartment Vacancy Rates .....	19
Convention Information .....	20
Seattle-King County Dislocation Activity .....	21
Boeing and Airline Industry Data .....	22
Taxable Retail Sales – King County .....	23

#### **Appendix**

- Source list

# **King County Quarterly Economic Measures**

## **Fourth Quarter, 1997**

### **Executive Summary**

#### **I. NATIONAL**

##### ***Economic Measures/Interest Rates/AA Bond Rates***

National growth remained strong in the fourth quarter, with little inflation. The real gross domestic product (GDP) sped up in the fourth quarter, growing at a 4.3% annual pace. This is up from a revised 3.1% annual rate in the third quarter. For 1997, GDP grew 3.8%, up from 1996's 2.8% pace of growth. Growth increased due to a sharp rise in exports, a large increase in inventories and brisk housing sales. Annual real GDP growth has ranged between 2.0 and 3.8% the past five years.

The Federal Reserve Board has not raised its target rate for the federal funds rate since late March 1997, when they raised it 0.25 to 5.50%. The prime rate (8.5%) and discount rate (5.0%) did not change in the fourth quarter. With the threat of a slowdown from Asia spreading to the U.S., it is unlikely the Fed will raise interest rates in the near future. The Fed also is concerned about inflation, since employment costs rose significantly in the fourth quarter, so they will not likely cut rates until they are reassured inflation is under control. The fourth quarter Consumer Price Index rose at an annual rate of 1.6%, rising 1.9% during the previous twelve months. For 1997, inflation totaled 2.3%.

Interest rates for treasury bills and bonds fell sharply in the fourth quarter. Thirty year home mortgage rates in Washington state also fell sharply, averaging 7.44%. This was the lowest quarterly average rate since the fourth quarter of 1993. In the past five years, mortgage rates have ranged from 7.0% (October 1993) to over 9.4% (late 1994).

AA bond rates in late January fell from late October totals, with levels falling 30 to 35 basis points for non-taxable bonds and 50 to 65 points for taxable bonds.

##### ***Industrial/Manufacturing Measures***

Non-farm inventories were up \$49.7 billion in 4Q/97, up from a \$38.3 billion increase the previous quarter. Companies rebuilt inventories to catch up with strong consumer demand.

Other indicators also showed a robust economy. Industrial production rose at a 7.1% annual rate in the fourth quarter; it rose 5.0% for the year. Capacity utilization rates rose in the third quarter for total industry (83.2%) as well as manufacturing (82.2%). This is the highest capacity utilization has been since the third quarter of 1995. This indicator has been revised, with the result that it is further away from 85%, a level that many economists consider a sign that the economy is overheating and rising inflation is imminent. The revisions indicate that previous estimates of capacity utilization were too high and that the threat of inflation was overstated.

## ***Income Measures***

Per capita disposable personal income rose at a brisk 3.7% annual rate in the fourth quarter, creating some concern that the economy might be overheating. Normally, this type of indicator might prod the Fed into raising interest rates, but most economists expect the economy to cool off in the first quarter of 1998. For the year, personal income rose 2.0%, somewhat higher than 1996's 1.4% gain.

## **II. KING COUNTY**

### ***Economic Activity***

The West-C CPI rose at a strong 4.6% annual rate in the fourth quarter and 2.8% for the year. This was less than 1996's 3.8% gain. Bankruptcy filings rose significantly over 4Q/96 in both King County (7.5%) and the Central Puget Sound region (7.7%). For the year, both King County (11.7%) and the region (12.8%) saw large increases in filings. Looser bankruptcy laws and easier credit are likely the reason for increases in filings over the two years.

King County taxable retail sales were robust, 9.6% higher in the third quarter of 1997 than in third quarter 1996. (Third quarter 1997 is the most recent quarter for which data is available.) Finance, insurance and real estate (FIRE) sales rose sharply (26.4%). Wholesale trade sales rose 6.7%. Retail trade taxable sales rose 11%; notable retail sales changes took place in lumber and building materials (up 17.6%), electronics and music stores (up 18%), furniture (up 11%), miscellaneous retail stores (up 14.6%) and candy/nut/confectionery products (up 53%). Services growth was healthy (up 8%), as hotel and motels rose (up 12%), with business services (up 8.5%) and other services (up 11%) also gaining. (Other services include amusement and recreation, miscellaneous repair and motion pictures). Manufacturing rose a robust 13.4%, with rapid growth in Kent (up 68%).

Seattle taxable retail sales were up 9.5% in 3Q/97 over 3Q/96. FIRE sales rose sharply (28%). Contracting sales also rose (15.6%) as did manufacturing (10%) and wholesaling (8%). Services rose more modestly (6.3%), led by other services (up 10%). Retail trade had stronger growth (up 9.5%), with noticeable gains in building materials and hardware (up 64%), candy/nut/confectionery products (up 85%), hardware stores (up 20%), nonstore retailers (up 22%) and other retail stores (up 26%). (Other retail stores include used merchandise stores, florists, newsstands and optical goods stores).

### ***Employment***

Area unemployment continued dropping to even lower levels in the fourth quarter. King County fourth quarter unemployment fell to 2.9%, the lowest unemployment rate this decade. King County unemployment beneficiaries are also fewer, down 22% from fourth quarter 1996. Unemployment sank slightly in the Central Puget Sound region, from 3.5% to 3.3%. The region's unemployment rate is still lower than the national rate (4.7% seasonally adjusted). U.S. unemployment has been dropping consistently since averaging 7.5% in 1992.

Employment growth continued to be strong. In King County, employment rose 5.8% over fourth quarter 1996. Durable manufacturing employment rose for the eighth straight quarter after falling three consecutive quarters, with employment 15% over the same time last year. This is primarily due to hiring at Boeing. Other sectors have also had healthy employment growth since fourth quarter 1996, including construction (6.4%), retail trade (5.4%) and services (5.0%).

### ***Construction***

The single-family housing market continued to strengthen, with closed home sales in King County 14% higher in 4Q/97 than in 4Q/96. Median prices (14%) rose over the same period. For the year, home sales increased (12%), as well as median prices (8.1%). The average time a house was on the market rose to 47 days, a 19% rise from the third quarter (39 days) but a 11% drop from 4Q/96 (52 days).

Other construction activity was also very strong. Seattle permit values for non-residential construction were 28% higher than 4Q/96 and 90% higher for the year. Much of the yearly increase is due to the new Mariners' stadium. Residential construction permit values declined from very high third quarter totals (42%) and from 4Q/96 (17%).

### ***Office Market***

The Downtown Seattle market remained brisk, with vacancies falling to 5.0%. Class A space tightened more (2.5% vacancy), while the Class B market remains soft (11% vacancy). Absorption, the change in the amount of leased space, was 157,548 square feet for the quarter. CB Commercial expects office construction activity to heat up; there is nearly 1.8 million square feet of office space under construction, with 3.7 million square feet planned.

Demand in Bellevue/Eastside also grew, with positive absorption of over 68,000 square feet. Space tightened, with a vacancy rate of 2.3%. Class A space is still tight (1.9%), with median rates rising to \$25.00. The Eastside market remains very strong, with nearly 1.2 million square feet of office space under construction and an enormous 14.2 million square feet of planned office construction.

North King County vacancy rates rose slightly in the fourth straight quarter (5.0%). South King County vacancy rates dropped for the second straight quarter (10.8%). Tighter markets in these areas will continue to pressure the Downtown Seattle and Bellevue/Eastside markets.

### ***Industrial Market***

The King County industrial market tightened in the fourth quarter. Vacancy rates declined slightly in Seattle Close-In (to 3.1%), with Seattle high tech vacancy rates declining sharply (to 6.9%). Kent Valley vacancy rates dropped to 5.4%. The Eastside market had absorption of nearly 130,000 square feet, with industrial vacancy rates falling to 4.4% and high-tech rates rising to a low 3.8%.

CB Commercial forecasts that the industrial market will remain strong in King County. Most of the current and planned construction is taking place outside of Seattle. Kent Valley remains busy, with over 1.1 million square feet under construction, and over 6.3 million square feet planned. The Eastside market is also strong, with nearly 1.3 million square feet under construction and over 2.8 million square feet planned.

### ***Retail Market***

The Puget Sound retail market continued to strengthen in the second half of 1997, with absorption of over 2.8 million square feet. Absorption for the year was nearly 4.2 million square feet, about 27 times larger than 1996. Much of the region's absorption was in the Northend (1.1 million square feet), as the vacancy rate decreased to 4.6%. (The Northend retail market extends north from the Ship Canal through north King County, Snohomish County and the northern counties.)

The Southend continued to have healthy growth, with over 750,000 square feet of absorption and an unchanged 7.4% vacancy rate. (The Southend retail market runs from the West Seattle Bridge through south King County, as well as Pierce and Thurston Counties.)

The Bellevue/Eastside market strengthened in the fourth quarter, with absorption of almost 630,000 square feet, due partly to the opening of Redmond Town Center. There is also nearly 1.8 million square feet under construction and almost 1.6 million square feet planned. The vacancy rate rose remained low, rising a notch to 4.9%.

Downtown Seattle still has the lowest vacancy rate of any Puget Sound market, though it rose to 2.6% and absorption declined nearly 11,000 square feet. There is 725,000 square feet under construction and 170,000 square feet planned.

CB Commercial forecasts a continued strong retail market, though they say growth will not be as strong as 1997. Eastside shoppers will be drawn to strong retail centers in Woodinville, Issaquah and Redmond, though CB Commercial says downtown Bellevue will remain healthy.

### ***Apartment Market***

The Puget Sound apartment market tightened further in the second half of 1997, with vacancy rates dropping slightly from 2.1% to 2.0%, while rents rose 4.5%. The Seattle market vacancy rate declined slightly (1.2%). Seattle rents rose an average of 3.2% over the first half of 1997.

Vacancy rates fell further in South King County (1.7%) and Pierce County (4.5%). Pierce County is the only major area with a vacancy rate over 2.0%. Although the East King County vacancy rate rose slightly to 1.4%, rents rose an average of 3.3%.

CB Commercial forecasts demand to continue rising, though they expect developers to start building 5,000 units in 1998. Rents will continue to rise significantly, and downtown Seattle rents may approach lease rates for highrise office space.

### ***Convention Information***

The number of Conventions and Events for 4Q/97 was up 6% from 4Q/96, with room nights rising 28%. Preliminary local room tax collections for 4Q/97 were 5% higher than for 4Q/96.

### ***Boeing and Airline Industry Data***

Boeing employment in Washington state continued to climb, rising to 103,400 jobs. This was an 18% increase since the end of 1996. Boeing says this will likely be the peak of their employment in this cycle, as they expect to reduce the number of employees in 1998 as production becomes more efficient. Boeing contractual backlogs rose after falling two straight quarters, ending the year at \$121.6 billion, a 12% increase from the third quarter. Most of the \$12.8 billion increase came consisted of commercial aircraft orders (\$93.8 billion). The new Information, Defense and Space division, made up of elements from the former Boeing Defense & Space Group and McDonnell Douglas Corporation, had backlogs of \$27.8 billion.

## U.S. ECONOMIC MEASURES

	1996 IV	1997 I	II	III (r)	IV (p)
<b>Gross Domestic Product</b>	\$7,792.9	\$7,933.6	\$8,034.3	\$8,124.3	\$8,241.5
<b>GDP Growth</b>	\$411.0	\$466.1	\$426.6	\$448.3	\$448.6
<b>Real GDP</b>	\$7,017.4	\$7,101.6	\$7,159.6	\$7,214.0	\$7,290.3
<b>Real GDP Growth</b>	\$220.9	\$275.2	\$233.6	\$270.2	\$272.9
<b>% Real GDP Growth*</b>	3.3%	4.0%	3.4%	3.9%	3.9%
<b>% Real Quarterly GDP Growth**</b>	1.1%	1.2%	0.8%	0.8%	1.1%
<b>% Real GDP Growth Annualized***</b>	4.3%	4.9%	3.3%	3.1%	4.3%
<b>GDP Implicit Price Deflator</b>	111.1	111.7	112.2	112.6	113.1
<b>Consumer Price Index</b>	158.5	159.6	160.2	160.8	161.5

	1996 IV	1997 I	II	III (r)	IV (p)
<b>INTEREST RATES</b>					
<b>1 yr T-Bill</b>	5.19	5.33	5.52	5.25	5.19
<b>3 yr T-Bond</b>	5.94	6.19	6.42	6.01	5.78
<b>10 yr T-Bond</b>	6.34	6.56	6.70	6.24	5.91
<b>30 yr T-Bond</b>	6.61	6.82	6.93	6.53	6.14
<b>Discount Rate</b>	5.00	5.00	5.00	5.00	5.00
<b>Prime Rate</b>	8.25	8.27	8.50	8.50	8.50
<b>New Home Mortgage Yield (National)</b>	7.85	7.82	8.00	7.66	7.45
<b>Avg Mortgage Rate (WA State)</b>	7.96	8.02	8.12	7.67	7.44

(r) - Revised. (p) - Preliminary.

Gross Domestic Product: Billions of current dollars.

GDP Growth: Change from same period, one year ago, in billions of current dollars

Real GDP: Gross domestic product in 1992 dollars.

Real GDP Growth: Change in real GDP from one year ago.

\* % Real GDP Growth: Percentage growth from same quarter last year.

\*\* % Real Quarterly GDP Growth: Percentage growth from last quarter.

\*\*\*% Real GDP Growth Annualized: Real growth compounded quarterly to achieve an annual rate. It is not adjusted for seasonal variation.

GDP Price Deflator: 1992 =100.

CPI: 1982-1984=100.

National Interest Rates: 3 month average of rates.

New Home Mortgage Yield (National): Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

Average Mortgage Rate: 3 month average of 30 year fixed mortgage rates for Washington State.

## SOURCES:

Economic Measures come from the U.S. Bureau of Economic Analysis (BEA) (<http://www.bea.doc.gov/bea/dn/nipbtbl-d.htm>).

National Interest Rates come from the **Federal Reserve Statistical Release** (<http://www.bog.frb.fed.us/releases/H15/>).

New Home Mortgage Yield comes from the Federal Housing Finance Board (<http://www.fhfb.gov/mirs.htm>).

Washington State Average Mortgage Rate comes from **Seattle Times Business** section, Market Trends Research Co.

	<b>G.O. Tax Exempt</b>	<b>G.O. Taxable</b>	<b>Revenue Bonds</b>
<b>10 yr</b>	<b>4.65</b>	<b>6.65</b>	<b>4.75</b>
<b>20 yr</b>	<b>5.15</b>	<b>7.00</b>	<b>5.25</b>
<b>30 yr</b>	<b>5.20</b>	<b>7.10</b>	<b>5.30</b>

**AA BOND  
RATES AS  
OF 1/21/98**

## GENERAL INDICATORS OF ECONOMIC ACTIVITY

REGION	1996 IV	1997 I	II	III (r)	IV (p)
<b>CPI (West-C)</b>	163.7	165.5	166.3	166.8	168.7
<b>Bankruptcies (King, Pierce, Snohomish, Kitsap)</b>	4,273	4,893	4,929	4,567	4,600
<b>Taxable Retail Sales (King, Pierce, Snohomish, Kitsap)</b>	\$10,745,844,480	\$9,853,829,129	\$10,822,789,252	\$11,420,968,431	
<b># of businesses reporting</b>	102,019	80,625	82,882	83,027	

LOCAL	1996 IV	1997 I	II	III (r)	IV (p)
<b>CPI (Seattle/Tacoma)</b>	159.4	161.9	161.9		
<b>TOTAL Shipments</b>					
<b>Air freight (Metric Tons)</b>	69,517	63,986	69,935	75,495	71,732
<b>Water-borne freight ( Thousand Metric Tons)</b>	4,410				
<b>Air Passengers (Sea-Tac)</b>	5,522,865	5,133,341	6,232,627	7,546,392	5,764,579
<b>New Business Starts (Seattle)</b>	1,258	3,513	1,783		
<b>Bankruptcies (King Co.)</b>	1,956	2,233	2,222	2,084	2,103
<b>Taxable Retail Sales (Seattle)</b>	\$2,566,429,250	\$2,374,825,404	\$2,640,896,811	\$2,726,113,195	
<b># of businesses reporting (Seattle)</b>	27,569	22,303	22,847	22,749	
<b>Electrical Energy Usage (1,000's of kilowatts)</b>	2,302,205	2,703,760	2,215,740	2,065,442	2,111,253
<b>Residential Telephone Access Lines</b>	372,501	375,007	376,396	377,609	
<b>Business Telephone Access Lines</b>	143,119	142,888	142,474	141,564	
<b>Natural Gas Customers (Thousands)</b>	193.4	195.6			

CPI (West-C): This index covers cities whose populations range from 50,000 to 333,000 in the Western U.S. This includes Montana, Colorado, Wyoming, New Mexico and all states to the west (Alaska and Hawaii also). 1982-1984 = 100.

New Business Starts consist of the total new business license accounts for the quarter.

### SOURCES:

Shipments: Port of Seattle. (Waterborne Freight for 1997 is not yet available.)

Air Passengers: Port of Seattle.

New Business Starts: Seattle Dept. of Licensing. (These figures are revised. Third and Fourth Quarter 1997 are not yet available.)

Bankruptcies: U.S. Bankruptcy Court.

Taxable Retail Sales: *Quarterly Business Review*, Dept. of Revenue, WA State.

Electrical Energy Usage: Seattle City Light. (Third Quarter 1997 totals are a projection based on July and August figures).

Telephone Access Lines: US West. (Third Quarter 1997 totals are a projection based on July and August figures. Third Quarter 1996 totals are a projection based on July and September totals.)

Natural Gas Customers: Puget Sound Energy. (Second, Third & Fourth Quarter 1997 totals are not yet available.)

CPI: U.S. Department of Labor, Bureau of Labor Statistics. 1982-1984 = 100.



## INDUSTRIAL/MANUFACTURING MEASURES

National	1996	1997			
	IV (r)	I (r)	II (r)	III (r)	IV (p)
<b>Producers' Durable Equipment</b>	606.7	616.6	649.3	685.3	678.5
<b>Changes in Non-Farm inventories</b>	26.5	58.3	70.1	38.3	49.7
<b>Manufacturers' New Orders</b>	961,690	971,547	977,801	1,001,544	1,017,667
<b>Non-defense capital goods orders</b>	132,536	135,863	134,735	143,881	154,654
<b>Industrial production</b>	120.40	121.90	123.30	125.20	127.37
<b>Capacity utilization rates (%)</b>					
<b>Total Industry</b>	82.4	82.5	82.4	82.7	83.2
<b>Manufacturing</b>	81.4	81.6	81.5	81.6	82.2

(r) - Revised. (p) - Preliminary.

Producers' Durable Equipment: Billions of 1992 dollars, seasonally adjusted rates.

Changes in Non-Farm Inventories: Billions of 1992 dollars, seasonally adjusted rates.

Manufacturers' New Orders: Millions of current dollars, seasonally adjusted rates.

Non-Defense Capital Goods Orders: Millions of current dollars, seasonally adjusted rates. (These figures have been revised).

Industrial Production: 1992=100, figures are 3 month average.

Capacity Utilization Rates: These figures have been revised.

### SOURCES:

Producers' Durable Equipment and Changes in Non-Farm Inventories: **U.S. Bureau of Economic Analysis** (<http://www.bea.doc.gov/bea/dn/nipbtbl-d.htm>).

Manufacturers' New Orders and Non-Defense Capital Goods Orders: **U.S. Census Bureau** (<http://www.census.gov/indicator/www/table5p.txt>).

Industrial Production and Capacity Utilization Rate: **Federal Reserve Statistical Release** (<http://www.bog.frb.fed.us/releases/g17/Current/>).

## EMPLOYMENT

REGION (King, Kitsap, Pierce, Snohomish and Island)	1996 IV	1997 I	II	III (r)	IV (p)
<b>Civilian Labor Force</b>	1,704,837	1,730,740	1,737,230	1,762,580	1,787,947
<b>Non-Agricultural Employment</b>					
<b>Total</b>	1,554,633	1,546,800	1,585,600	1,599,867	1,630,133
<b>Construction</b>	78,867	76,100	78,633	84,400	83,333
<b>Retail</b>	277,390	268,040	275,769	281,596	288,787
<b>Wholesale Trade and Utilities</b>	124,560	125,030	125,927	127,604	128,950
<b>Manufacturing</b>	230,867	236,900	244,733	252,433	256,000
<b>Durable goods</b>	173,733	180,067	184,133	191,200	195,533
<b>Non-durable goods</b>	57,133	56,833	58,700	59,200	58,300
<b>Government</b>	252,633	250,867	257,900	244,033	256,400
<b>FIRE</b>	89,867	89,067	90,567	92,267	93,000
<b>Services</b>	436,067	437,233	446,900	451,167	456,200
<b>Non-Agricultural Unemployment (UE)</b>					
<b>Initial UE Claims</b>	34,013	36,901	28,084	24,915	31,193
<b>UE Rate</b>	4.6%	4.6%	3.7%	3.5%	3.3%
<b>Unemployment Beneficiaries</b>	42,225	41,279	39,659	34,759	33,548
<b>Manufacturing</b>	6,676	5,945	6,019	5,072	5,163
<b>Non-Manufacturing</b>	35,549	35,334	33,640	29,687	28,385

LOCAL (King County)	1996 IV	1997 I (p)	II (p)	III (p)	IV (p)
<b>Civilian Labor Force</b>	967,733	978,000	986,067	1,005,133	1,022,267
<b>Non-Agricultural Employment</b>					
<b>Total</b>	1,039,600	1,035,345	1,064,526	1,076,772	1,100,023
<b>Construction</b>	49,533	47,636	48,884	52,888	52,706
<b>Retail</b>	175,733	170,202	176,187	180,015	185,138
<b>Wholesale Trade and Utilities</b>	81,300	81,624	82,018	83,201	84,110
<b>Manufacturing</b>	145,567	150,599	155,894	160,634	163,426
<b>Durable goods</b>	107,433	112,201	115,600	120,048	123,081
<b>Non-durable goods</b>	38,133	37,809	39,814	39,870	39,390
<b>Government</b>	145,267	143,642	148,795	140,809	149,173
<b>FIRE</b>	65,767	65,426	66,673	68,094	68,819
<b>Services</b>	310,133	309,667	317,589	321,406	325,511
<b>Non-Agricultural Unemployment (UE)</b>					
<b>Initial UE Claims</b>	16,490	18,026	14,161	12,804	14,812
<b>UE Rate</b>	4.2%	4.0%	3.4%	3.2%	2.9%
<b>Unemployment Beneficiaries</b>	21,556	20,674	20,427	18,272	16,771
<b>Manufacturing</b>	3,454	2,799	2,994	2,618	2,579
<b>Non-Manufacturing</b>	18,101	17,875	17,433	15,654	14,192

"Region" consists of King, Kitsap, Pierce, Snohomish and Island Counties. Island County is included to make unemployment figures consistent with Non-Agricultural Employment.

Civilian Labor Force consists of laborers who live in the region in question. (Residence based).

Non-Agricultural Employment consists of laborers who work in the region in question. (Place of work based).

All figures are averages of monthly figures except Initial UE claims, which is a 3 month sum.

Official King County non-agricultural employment for 1997 is not yet available. These figures are estimates by the Central Puget Sound Economic Development District

### SOURCE:

Washington State Labor Area Summaries (Washington State Employment Security).

# INCOME MEASURES

NATION	1996 IV	1997 I	II	III (r)	IV (p)
<b>Per Capita Disposable Personal Income</b> (in 1992 constant \$)	\$19,152	\$19,331	\$19,439	\$19,522	\$19,700

REGION (King, Kitsap, Pierce, Snohomish)	1995 IV	1996 I	II	III (r)	IV (p)
<b>Wages (current dollars, not deflated)</b>					
Agriculture, Forestry, Fishing	\$2,137	\$1,897	\$2,082	\$1,922	\$2,194
Mining	\$3,144	\$2,874	\$3,085	\$3,173	\$3,189
Construction	\$2,755	\$2,599	\$2,665	\$2,729	\$2,891
Manufacturing	\$3,583	\$3,596	\$3,494	\$3,418	\$3,724
Transportation and Public Utilities	\$3,123	\$3,266	\$3,115	\$3,043	\$3,175
Wholesale Trade	\$3,207	\$3,178	\$3,076	\$3,167	\$3,368
Retail Trade	\$1,404	\$1,422	\$1,445	\$1,455	\$1,476
FIRE	\$3,090	\$3,335	\$3,037	\$3,002	\$3,213
Services	\$2,514	\$2,570	\$2,565	\$2,598	\$2,768
Government	\$2,730	\$2,752	\$2,820	\$2,885	\$2,796
<b>Overall Average</b>	\$2,611	\$2,667	\$2,637	\$2,645	\$2,772

LOCAL (King County)	1995 IV	1996 I	II	III (r)	IV (p)
<b>Wages (current dollars, not deflated)</b>					
Agriculture, Forestry, Fishing	\$2,597	\$2,187	\$2,538	\$2,249	\$2,702
Mining	\$3,340	\$3,020	\$3,107	\$3,273	\$3,234
Construction	\$2,962	\$2,808	\$2,854	\$2,909	\$3,082
Manufacturing	\$3,647	\$3,660	\$3,513	\$3,466	\$3,786
Transportation and Public Utilities	\$3,196	\$3,372	\$3,153	\$3,115	\$3,218
Wholesale Trade	\$3,347	\$3,332	\$3,201	\$3,328	\$3,513
Retail Trade	\$1,480	\$1,510	\$1,534	\$1,538	\$1,568
FIRE	\$3,290	\$3,593	\$3,231	\$3,188	\$3,413
Services	\$2,746	\$2,897	\$2,863	\$2,915	\$3,105
Government	\$2,788	\$2,835	\$2,954	\$2,962	\$2,888
<b>Overall Average</b>	\$2,769	\$2,863	\$2,809	\$2,820	\$2,962

Per Capita Disposable Personal Income: Figures are in 1992 dollars and are seasonally adjusted annual rates.

Wages: Average of monthly wages by industry, not occupation, and represents jobs covered by the Washington Employment Security Act. Figures are lagged one year or more due to reporting delay. Figures are not deflated due to difficulty in choosing appropriate deflator.

"Region" consists of King, Pierce, Kitsap, and Snohomish counties.

"Local" consists of King County.

## SOURCES:

Per Capita Disposable Income comes from the **U.S. Bureau of Economic Analysis** (<http://www.bea.doc.gov/bea/nipubl-d.html>).

Wages: **Employment and Payrolls in Washington State by County and Industry** (Washington State Employment Security).

## CONSTRUCTION

	1996 IV	1997 I	II	III	IV
<b>Residential Construction (\$\$ value) 1/</b>	\$84,616,706	\$44,839,960	\$53,382,008	\$121,280,788	\$70,344,602
<b>Non-Residential Construction (\$\$ value) 2/</b>	\$119,486,520	\$96,051,885	\$163,426,134	\$292,820,621	\$152,956,672
<b>Home Sales (King County)</b>					
<b># of Sales</b>	4,696	4,664	6,102	6,229	5,367
<b>Median Sales Price</b>	\$171,704	\$177,347	\$186,242	\$192,296	\$196,086
<b>Mean Sales Price</b>	\$208,766	\$216,434	\$226,408	\$237,540	\$236,866
<b>Days on Market</b>	52	57	42	39	47
<b>Building Permits</b>					
<b>Commercial and Industrial 3/</b>	533	631	710	659	609
<b>Existing Housing Units</b>	393	408	623	765	498
<b>New Residential Permits</b>	124	102	155	155	151
<b>New Residential Units</b>	899	416	433	1120	620

1/ Value consists of total value of permits for residential construction from DCLU Permit Report

2/ Value consists of total value of permits for Non-residential construction from DCLU Permit Report

3/ Number of commercial and industrial permits is estimated by number of total permits minus residential, schools, churches, and some specific permits.

Figures represent construction activity for City of Seattle.

Number of commercial and industrial permits is estimated by number of total permits minus residential, schools, churches, and some specific permits.

### SOURCES:

City of Seattle Department of Construction and Land Use, **"Issued Permit Data"** (monthly reports). Home sale data comes from the **Northwest Multiple Listing Service**.

## OFFICE MARKET

Seattle Overall	1996 IV	1997 I	II	III	IV
Total Sq. Feet	35,527,165	35,624,112	36,252,932	36,066,345	36,505,231
# Buildings	423	424	443	439	441
Vacant Sq. Feet	3,518,562	3,303,609	3,498,208	2,482,256	2,176,862
Vacancy Rates	9.9%	9.3%	9.6%	6.9%	6.0%
Project Under Cons (Sq. Ft.)	95,000	0	292,000	537,000	1,765,118
Absorption (Sq. Ft.)	222,406	312,911	411,880	894,860	270,158

"Seattle Overall" consists of Downtown, Northend, Southend, and Tacoma/Federal Way.

Downtown Seattle	1996 IV	1997 I	II	III	IV
Total Sq. Feet	26,039,858	26,134,858	26,473,358	26,511,858	26,992,868
# Buildings	197	198	205	205	209
Vacant Sq. Feet	1,639,395	1,546,673	1,584,882	1,567,422	1,356,028
Vacancy Rates	6.3%	5.9%	6.0%	5.9%	5.0%
Project Under Cons (Sq. Ft.)	95,000	0	292,000	537,000	1,765,118
Absorption (Sq. Ft.)	113,891	187,733	235,912	75,401	157,548
<b>Class A</b>					
Median Lease Rate/sf	\$22.00	\$23.50	\$23.00	\$23.75	\$24.50
Vacancy Rate	5.0%	4.5%	3.8%	3.0%	2.5%
<b>Class B</b>					
Median Lease Rate/sf	\$16.00	\$17.00	\$17.50	\$17.50	\$17.00
Vacancy Rate	10.3%	9.8%	13.9%	14.2%	11.0%
<b>Class C</b>					
Vacancy Rate	10.7%	9.3%	10.0%	10.9%	11.3%

"Downtown Seattle" consists of the Canal, CBD, Denny Regrade, Lake Union, Lower Queen Anne, Pioneer Square and Waterfront.

North King County	1996 IV	1997 I	II	III	IV
Total Sq. Feet	1,050,559	1,050,559	1,050,559	1,050,559	1,050,559
# Buildings	23	23	23	23	23
Vacant Sq. Feet	107,367	104,435	79,637	51,799	52,157
Vacancy Rates	10.2%	9.9%	7.6%	4.9%	5.0%
Project Under Cons (Sq. Ft.)	0	0	0	0	0
Absorption (Sq. Ft.)	23,004	3,932	23,798	27,838	-358
<b>Class A</b>					
Median Lease Rate/sf	\$17.50	\$19.00	\$19.00	\$19.50	\$19.50
Vacancy Rate	10.2%	10.6%	7.7%	4.7%	4.7%
<b>Class B</b>					
Median Lease Rate/sf	\$16.00	\$17.25	\$17.25	\$18.50	\$18.50
Vacancy Rate	10.2%	7.0%	7.0%	6.0%	7.0%

"North King County" consists of area north of the Ship Canal up to the King County line.

The **Absorption Rate** is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases.

**SOURCE:** CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

## OFFICE MARKET

South King County	1996 IV	1997 I	II	III	IV
Total Sq. Feet	5,046,880	5,048,827	5,296,590	5,103,964	5,073,840
# Buildings	114	114	126	122	121
Vacant Sq. Feet	1,366,747	1,240,026	1,492,088	630,732	550,196
Vacancy Rates	27.1%	24.6%	28.2%	12.4%	10.8%
Project Under Cons (Sq. Ft.)	0	0	0	0	0
Absorption (Sq. Ft.)	51,468	128,668	67,095	693,323	99,146
<b>Class A</b>					
Median Lease Rate/sf	\$15.00	\$16.50	\$16.50	\$17.50	\$17.50
Vacancy Rate	25.5%	24.3%	25.0%	6.9%	10.9%
<b>Class B</b>					
Median Lease Rate/sf	\$13.50	\$14.00	\$14.50	\$15.00	\$15.00
Vacancy Rate	31.3%	24.8%	35.7%	22.9%	9.7%

"South King County" consists of area south of the Kingdome to the King County line, excluding Federal Way.

Bellevue/Eastside	1996 IV	1997 I	II	III	IV
Total Sq. Feet	15,080,684	15,122,471	15,200,253	15,324,453	15,379,483
# Buildings	275	276	278	281	282
Vacant Sq. Feet	765,980	541,805	387,463	398,390	356,282
Vacancy Rates	5.1%	3.6%	2.5%	2.6%	2.3%
Project Under Cons (Sq. Ft.)	680,395	825,574	731,195	695,000	1,189,584
Absorption (Sq. Ft.)	84,969	98,895	180,872	142,417	68,043
<b>Class A</b>					
Median Lease Rate/sf	\$25.75	\$23.00	\$23.00	\$24.00	\$25.00
Vacancy Rate	3.5%	2.5%	1.5%	1.7%	1.9%
<b>Class B</b>					
Median Lease Rate/sf	\$18.50	\$18.50	\$19.00	\$23.00	\$24.00
Vacancy Rate	4.5%	5.0%	4.2%	3.6%	2.8%
<b>Class C</b>					
Median Lease Rate/sf	\$15.50	\$15.50	\$16.00	\$17.00	\$16.50
Vacancy Rate	9.5%	8.6%	4.9%	5.9%	4.3%

"Bellevue/Eastside" consists of the East side of Lake Washington, from Bothell on the King/Snohomish County line to Renton City Limits.

The **Absorption Rate** is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases.

**SOURCE:** CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

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## INDUSTRIAL MARKET

Seattle Close-In	1996 IV	1997 I	II	III	IV
<b>Total Square Footage</b>					
Industrial	66,539,044	66,310,912	66,431,658	66,568,768	66,305,124
High-Tech	1,135,816	1,162,546	1,220,412	1,220,412	1,220,412
<b>Total</b>	<b>67,674,860</b>	<b>67,473,458</b>	<b>67,652,070</b>	<b>67,789,180</b>	<b>67,525,536</b>
<b>Vacancy</b>					
Industrial	3.8%	3.3%	3.4%	3.3%	3.1%
High-Tech	8.7%	7.1%	10.7%	11.0%	6.9%
<b>Total Vacant Sq. Ft.</b>	<b>2,646,698</b>	<b>2,293,536</b>	<b>2,363,670</b>	<b>2,317,804</b>	<b>2,167,185</b>
Industrial	2,547,847	2,210,715	2,232,578	2,184,141	2,083,496
High-Tech	98,851	82,821	131,092	133,663	83,689
<b>Lease Rates</b>					
Older Buildings	\$.25-.38/sf shell	\$.25-.38/sf shell + \$.55-.60/sf office		\$.25-.38/sf shell + \$.55-.60/sf office	\$.25-.38/sf shell + \$.55-.65/sf office
Newer Buildings	\$.38-.40/sf shell + \$.60-.65/sf office	\$.38-.40/sf shell + \$.60-.65/sf office		\$.38-.40/sf shell + \$.60-.65/sf office	\$.38-.42/sf shell + \$.60-.65/sf office
NNN Expenses	\$.05-.16/sf per month	\$.05-.16/sf per month		\$.05-.16/sf per month	\$.05-.16/sf per month
High-Tech	\$.65-1.00/sf per month	\$.65-1.00/sf per month		\$.65-1.00/sf per month	\$.65-1.00/sf per month
<b>Absorption (sf) 2/</b>	<b>1,217,019</b>	<b>226,690</b>	<b>-3,051</b>	<b>181,975</b>	<b>-367,724</b>

"Seattle Close-In" stretches from the King/Snohomish line south to

Absorption is for the quarter.

SOURCE: CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.



## INDUSTRIAL MARKET

Kent Valley Market	1996 IV	1997 I	II	III	IV
<b>Total Square Footage</b>					
Industrial	76,793,662	77,482,464	79,945,508	80,116,002	80,491,527
High-Tech	1,834,028	1,834,028	1,834,164	1,834,164	1,834,164
Total	78,627,690	79,316,492	81,779,672	81,950,166	82,325,691
<b>Vacancy</b>					
Industrial	5.5%	5.4%	6.7%	6.5%	5.4%
High-Tech	5.0%	6.8%	7.5%	7.8%	8.6%
<b>Total Vacant Sq. Ft.</b>					
Industrial	4,304,975	4,306,037	5,467,445	5,351,356	4,541,449
High-Tech	92,165	124,854	137,716	143,814	158,537
<b>Lease Rates</b>					
Older Buildings	\$.28-.30/sf shell + \$.50-.55/sf office	\$.28-.30/sf shell + \$.50-.55/sf office		\$.28-.30/sf shell + \$.50-.55/sf office	
New Buildings	\$.30-.32/sf shell + \$.55-.60/sf office	\$.30-.32/sf shell + \$.55-.60/sf office		\$.30-.32/sf shell + \$.55-.60/sf office	
NNN expenses	\$.07-.12/sf per month	\$.07-.12/sf per month		\$.07-.12/sf per month	
High-Tech	\$0.75-1.15/sf	\$0.75-1.15/sf		\$0.75-1.15/sf	
<b>Absorption (sf)</b>	1,276,828	244,898	32,940	90,743	420,037

"Kent Valley" is defined as Tukwila, Renton, Kent, Auburn and Sea-Tac.

SOURCE: CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

## INDUSTRIAL MARKET

Eastside Market	1996 IV	1997 I	II	III	IV
<b>Total Square Footage</b>	13,619,970	14,256,955	14,338,152	14,523,778	15,317,241
Industrial	4,208,495	4,259,670	4,295,670	4,322,670	4,287,445
High-Tech	17,828,465	18,516,625	18,633,822	18,846,448	19,604,686
<b>Vacancy</b>					
Industrial	6.1%	6.0%	5.3%	5.7%	4.4%
High-Tech	6.2%	5.5%	4.9%	2.5%	3.8%
<b>Total Vacant Sq. Ft.</b>	1,094,936	1,087,498	970,447	937,803	838,862
Industrial	833,634	853,471	760,819	829,217	676,191
High-Tech	261,302	234,027	209,628	108,586	162,671
<b>Lease Rates</b>					
Older Buildings	\$.40-.50/sf shell + \$.85 - 1.00/sf office	\$.38-.45/sf shell + \$.75-.95/sf office		\$.38-.45/sf shell + \$.75-.95/sf office	\$.40-.60/sf shell + \$.95-1.10/sf office
New Buildings	\$.48-.65/sf shell + \$.90 - 1.15/sf office	\$.42-.60/sf shell + \$.85-1.05/sf office		\$.42-.60/sf shell + \$.85-1.05/sf office	\$.45-.65/sf shell + \$.90-1.25/sf office
NNN expenses	\$.06-.26/sf per month	\$.06-.26/sf per month		\$.06-.26/sf per month	\$.11-.31/sf per month
<b>Absorption (sf)</b>	112,034	304	180,576	135,595	129,606

"Eastside Market" consists of the East side of Lake Washington, King/Snohomish County Line south to Renton City Limits.

SOURCE: CB Commercial Quarterly Market Report, a publication of Coldwell Bankers commercial division.

## RETAIL

Puget Sound Area	1995	1996		1997	
	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Footage	59,947,985	55,025,933	55,721,440	57,680,961	60,439,311
Total Vacant	1,696,894	2,752,462	3,093,269	3,692,585	3,727,557
Vacancy Rates	2.8%	5.0%	5.6%	6.4%	6.2%
Absorption (sf)	1,441,882	-269,275	416,762	1,360,265	2,826,650

Puget Sound consists of the downtown Seattle, Northend, Southend, Eastside, and Kitsap Markets.

Downtown Seattle	1995	1996		1997	
	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Ft.	3,142,277	3,251,535	3,516,735	3,627,914	3,627,914
Total Vacant	80,205	45,092	33,571	81,969	92,708
Vacancy Rates	2.6%	1.4%	1.0%	2.3%	2.6%
Rental Rates	\$27.45	\$22.00	\$21.45	\$22.78	\$27.03
Absorption (sf)	37,885	35,113	234,521	62,781	-10,739

The Ship Canal south to the West Seattle Bridge including the Central Business District, Denny Regrade, Lower Queen Anne, Pioneer Square, West Lake Union, Capitol Hill and the Central District.

Northend	1995	1996		1997	
	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Ft.	14,703,952	13,960,114	14,044,655	14,419,662	15,317,492
Total Vacant	359,186	599,384	730,790	782,182	711,080
Vacancy Rates	2.4%	4.3%	5.2%	5.4%	4.6%
Rental Rates	\$16.43	\$15.12	\$13.59	\$13.03	\$14.81
Absorption (sf)	68,233	-185,070	87,567	323,675	1,085,416

Northend is defined as North Seattle from Ship Canal up through Snohomish and Northern Counties.

Southend	1995	1996		1997	
	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Ft.	28,302,379	25,602,468	25,869,468	26,721,964	27,540,484
Total Vacant	859,157	1,613,889	1,835,940	1,968,671	2,032,407
Vacancy Rates	3.0%	6.3%	7.1%	7.4%	7.4%
Rental Rates	\$14.85	\$12.13	\$13.59	\$12.29	\$10.61
Absorption (sf)	1,324,742	-287,801	24,949	719,765	754,784

"Southend" is South Seattle through Pierce and Thurston Counties.

\*Previous to 1Q/95, Southend was defined as the area south of the Kingdome to the King/Pierce County line.\*

Bellevue/Eastside	1995	1996		1997	
	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Ft.	10,752,257	9,539,528	9,618,294	9,861,030	10,529,030
Total Vacant	317,275	350,694	345,609	476,879	515,084
Vacancy Rates	3.0%	3.7%	3.6%	4.8%	4.9%
Rental Rates	\$17.42	\$16.08	\$15.68	\$14.72	\$22.55
Absorption (sf)	28,159	112,815	73,681	111,466	629,795

All of King County east of Lake Washington, including Bellevue, Kirkland, Redmond, Issaquah, Bothell and Mercer Island.

SOURCE: CB Commercial *Quarterly Market Report*, a publication of Coldwell Bankers commercial division.

# Apartment Vacancy Rates

	1995 Second Half	1996 First Half      Second Half		1997 First Half      Second Half	
<b>Seattle/North King</b>	<b>2.6%</b>	<b>2.7%</b>	<b>1.2%</b>	<b>1.3%</b>	<b>1.2%</b>
Capitol Hill/Eastlake	2.0%	1.1%	0.9%	1.9%	1.9%
Central District	1.7%	1.7%	1.0%	1.7%	0.5%
Downtown/First Hill	2.9%	2.6%	1.6%	0.8%	0.8%
Magnolia/Queen Anne	1.2%	2.4%	0.4%	1.3%	1.2%
North Seattle	1.6%	3.2%	0.0%	1.5%	1.2%
Sandpoint	0.5%	1.0%	0.0%	0.0%	0.0%
South Seattle	3.1%	2.1%	1.0%	1.1%	
University District	1.1%	4.7%	3.7%	0.8%	1.0%
West Seattle	3.7%	3.1%	1.6%	1.7%	1.1%
<b>South King County</b>	<b>5.6%</b>	<b>5.0%</b>	<b>3.0%</b>	<b>1.9%</b>	<b>1.7%</b>
Auburn	6.3%	5.1%	5.4%	2.3%	1.1%
Burien/Des Moines	5.2%	5.8%	3.2%	2.0%	1.2%
Federal Way	7.8%	4.9%	3.5%	2.0%	1.9%
Kent	5.7%	5.0%	3.2%	1.6%	1.7%
Renton	3.8%	3.3%	1.5%	1.9%	1.9%
Sea-Tac/Tukwila	4.3%	5.8%	2.7%	1.8%	1.8%
<b>East King County</b>	<b>3.0%</b>	<b>2.1%</b>	<b>1.0%</b>	<b>1.1%</b>	<b>1.4%</b>
Bellevue	3.8%	2.1%	0.8%	0.9%	1.0%
Bothell/Woodinville	3.0%	3.0%	0.5%	1.8%	1.6%
Issaquah/North Bend	2.9%	2.0%	2.2%	1.0%	1.8%
Kirkland	2.2%	1.3%	1.3%	1.2%	1.7%
Redmond	2.9%	2.9%	1.2%	0.8%	1.7%
<b>Snohomish County</b>	<b>4.2%</b>	<b>4.2%</b>	<b>1.2%</b>	<b>1.4%</b>	<b>1.1%</b>
Edmonds	2.2%	3.9%	1.0%	1.4%	0.7%
Everett	5.7%	5.1%	1.9%	1.7%	1.1%
Lynnwood	3.6%	3.4%	1.3%	1.0%	1.0%
Marysville	2.8%	1.6%	0.0%	2.1%	1.7%
Mountlake Terrace	2.6%	3.7%	0.3%	0.8%	0.8%
<b>Pierce County</b>	<b>6.7%</b>	<b>6.3%</b>	<b>6.0%</b>	<b>4.8%</b>	<b>4.5%</b>
Fircrest	4.8%	4.8%	4.7%	4.2%	6.2%
Gig Harbor	3.1%	2.4%	4.2%	6.4%	3.6%
Lakewood	8.6%	7.7%	6.9%	6.1%	5.3%
Puyallup	7.2%	8.7%	4.9%	3.0%	3.7%
Tacoma	6.6%	5.6%	6.4%	5.0%	4.5%

Source: CB Commercial Market Report

## CONVENTION INFORMATION

KING COUNTY	1996	1997			
	IV	I	II	III	IV
# Conventions/Events	142	109	141	99	150
# Room Nights	97,934	165,893	183,467	104,136	125,248
Local Room Tax	\$2,316,353	\$2,200,780	\$2,830,029	\$3,528,560	\$2,422,726
Room Nights per Event	690	1,522	1,301	1,052	3,858
Local Room Tax per Event	\$16,312	\$20,191	\$20,071	\$35,642	\$16,152

(p) - Preliminary.

(r) - Revised.

The figures for # events and # room nights are for all events booked at the convention center and area hotels, not just conventions.

"Local Room Tax" shows Washington state Hotel/Motel Tax Distributions to King County. This is used to estimate delegate expenses. Figures have been revised to show when room tax was collected, not distributed, since distribution happens two months after collection. For example, Hotel/Motel distributions for June reflect collections made in April. Second Quarter 1997 includes taxes collected in April, May and June, and distributed in June, July and August.

The tax totals do not include an extra Hotel/Motel Tax collected in Bellevue.

### SOURCES:

Seattle-King County Convention and Visitors Bureau (# Conventions/Events and # Room Nights).

Washington Department of Revenue (Hotel/Motel Tax Distribution to King County).

## Seattle-King County Dislocation Activity - 3Q/97

Company	Location	Workers	No.
Seattle Tennis Club	Seattle	Kitchen, maintenance & instructors	95
Key Bank	Auburn	Loan Operations	60
Issaquah Market	Issaquah	Grocery	53
Dynacare Laboratories	Seattle	Couriers	30
Pepsi Bottling Co.	Seattle	Accounting & CX	20
Key Bank	Auburn	Loan Officers	20
Swedish Medical Center	Seattle	Health Care	17
1997 3rd Quarter Totals	7 Companies	295 Dislocated Workers	
1997 1st Half Totals	27 Companies	2,754 Dislocated Workers	
1996 Totals	50 Companies/53 Cases	3,977 Dislocated Workers	

Source: King County Reemployment Support Center.

# Boeing and Airline Industry Data

## Boeing Employees in Washington State

	4Q/96	1Q/97	2Q/97	3Q/97	4Q/97
Employees	87,769	91,443	95,892	100,200	103,400

  

Year	Employees
1997	103,400
1996	87,769
1995	71,834
1994	81,964
1993	88,890
1992	98,603
1991	104,700
1990	104,515
1989	106,670

Source: **The Boeing Company**.

Please note that for yearly totals, data reflects number of Boeing employees in Washington state at the end of the year. For quarterly totals, data reflects number at the end of the quarter.

<b>Boeing Contractual Backlogs</b> (revised - in billions)					
Contractual backlog:	12/31/96	3/31/97	6/30/97	9/30/97	12/31/97
Commercial aircraft	86.2	79.8	84.1	83.5	93.8
Info., Defense & Space	28	9.4	28.1	25.3	27.8
Total	114.2	89.2	112.2	108.8	121.6

Source: **The Boeing Company** (<http://www.boeing.com/news/>).

## U.S. Airlines -- Net Profits

(in thousands)				
1992	1993	1994	1995	1996
(4,791,284)	(2,135,626)	(344,115)	2,313,591	2,824,328

Source: **Air Transport Association** (<http://www.air-transport.org/data/earnings.htm>).

# Taxable Retail Sales – King County

Industry	SIC	% Change	
		Retail Sales 3Q/97	3Q/96 3Q/97
<b>Total</b>		\$7,520,528,880	9.6%
Contracting	15-17	\$1,056,518,684	10.5%
Manufacturing	20-39	\$221,732,993	13.4%
Transportation/Comm/Utilities	41-49	\$392,384,835	2.7%
Wholesaling	50-51	\$1,055,700,316	6.7%
Retail Trade	52-59	\$3,496,445,230	10.7%
Building Materials/Hardware	52	\$227,572,860	12.2%
Lumber/Bldg Material	521-522	\$111,093,271	17.6%
Paint, Glass, Wallpaper	523	\$15,193,419	10.8%
Hardware Stores	525	\$84,110,054	5.2%
Nurseries/Garden Supplies	526	\$14,642,529	3.3%
Mobile Home Dealers	527	\$2,533,587	341.5%
General Merchandise	53	\$416,188,997	6.0%
Department Stores	531	\$253,031,227	4.0%
Variety Stores	533	\$137,020,994	8.2%
Other General Merchandise		\$26,136,776	14.5%
<b>Food</b>	<b>54</b>	<b>\$337,743,516</b>	<b>7.8%</b>
Grocery Stores	541	\$317,732,913	7.8%
Fruit/Vegetable/Meat	542-543	\$2,073,768	7.2%
Candy/Nut/Confectionery	544	\$1,060,187	53.3%
Dairy Products	545	\$407,611	-12.5%
Bakeries	546	\$4,773,610	-0.5%
Other Food Stores		\$11,695,427	8.3%
<b>Auto Dealers/Gas Stations</b>	<b>55</b>	<b>\$742,768,875</b>	<b>14.6%</b>
Auto Dealers (New/Used)	551-552	\$598,350,286	16.7%
Accessory Dealers	553	\$57,932,860	9.1%
Service Stations	554	\$32,231,863	7.8%
Marine/Aircraft, etc		\$54,253,866	3.1%
<b>Apparel/Accessories</b>	<b>56</b>	<b>\$247,907,727</b>	<b>4.2%</b>
Clothing	561-565	\$203,162,755	4.1%
Shoes	566	\$21,086,657	2.4%
Other Accessories		\$23,658,315	6.5%
<b>Furniture/Furnishings/Equipment</b>	<b>57</b>	<b>\$423,301,509</b>	<b>15.0%</b>
Furniture	571	\$131,882,970	11.1%
Appliances	572	\$37,674,556	8.4%
Electronics/Music Stores	573	\$253,743,983	18.3%
<b>Eating/Drinking Places</b>	<b>58</b>	<b>\$543,707,630</b>	<b>6.8%</b>
<b>Miscellaneous Retail Stores</b>	<b>59</b>	<b>\$557,254,116</b>	<b>14.6%</b>
Drug Stores	591	\$73,532,709	4.4%
Miscellaneous Retail Stores	594	\$253,571,295	10.0%
Nonstore Retailers	596	\$54,686,023	14.6%
Fuel/Ice	598	\$13,337,777	-8.1%
Other Retail Stores		\$162,126,312	31.9%
<b>Finance/Insurance/Real Estate</b>	<b>60-67</b>	<b>\$110,744,827</b>	<b>26.4%</b>
<b>Services</b>	<b>70-88</b>	<b>\$1,120,175,723</b>	<b>8.1%</b>
Hotels/Motels etc.	70	\$205,227,693	12.0%

**Source:** Quarterly Economic Measures, Washington State  
Department of Revenue



# Sources for Quarterly Economic Measures

**AIR TRANSPORT ASSOCIATION** is the source for airline industry profits. Their World Wide Web address is <http://www.air-transport.org/>.

**BOEING** is the source for Boeing employment and for their backlog of airplane orders. Their World Wide Web address is <http://www.boeing.com/>.

**CB COMMERCIAL QUARTERLY MARKET REPORT** is a quarterly publication of Coldwell Bankers' commercial division. It contains data on industrial, commercial, retail and apartment properties.

**CITY OF SEATTLE DEPARTMENT OF CONSTRUCTION AND LAND USE** sends out an "Issued Permit Data" report every month. It contains the number of permits issued and the value of permitted construction.

**EMPLOYMENT AND PAYROLLS IN WASHINGTON STATE BY COUNTY AND INDUSTRY** is published by Washington State Employment Security. It contains wages paid and employment levels for industries by county. It has a lag of about one year.

**FEDERAL HOUSING FINANCE BOARD** is the source for the national new home mortgage yield. Their web address is <http://www.fhfb.gov/mirs.htm>.

**FEDERAL RESERVE** is the source for the bulk of national interest rates, as well as industrial production and capacity utilization figures. Their World Wide Web address is <http://www.bog.frb.fed.us/releases/H15/>.

**KING COUNTY REEMPLOYMENT SUPPORT CENTER** is a core program of the Worker Center and is the source for worker layoff data.

**PORT OF SEATTLE** is the source for air and waterborne freight shipment data, as well as passenger traffic.

**QUARTERLY BUSINESS REVIEW** is published quarterly by the Washington State Dept. of Revenue. It lists the amount of taxable retail sales by industry by county. The data has a lag of around six months.

**SEATTLE CITY LIGHT** tabulates electrical sales in a monthly revenue report.

**SEATTLE DEPARTMENT OF REVENUE** is the source for new business starts. It is measured by the number of business licenses issued.

**SEATTLE-KING COUNTY CONVENTION AND VISITORS BUREAU** is the source for the bulk of convention information. The exception is for local room tax, which comes from the Washington Dept. of Revenue.

**SEATTLE TIMES BUSINESS SECTION (from MARKET TRENDS RESEARCH CO.)** publishes a table of local interest rates every Monday called "Money/Database."

**U.S. BANKRUPTCY COURT** tracks the number and type of bankruptcies and tabulates them monthly.

**U.S. BUREAU OF ECONOMIC ANALYSIS** is the source for many of the national economic measures. Their web site is <http://www.bea.doc.gov>.

**U.S. CENSUS BUREAU** is the source for manufacturers' new orders and non-defense capital goods orders. Their web site is <http://www.census.gov/indicator/www/table5p.txt>.

**WASHINGTON DEPT. OF REVENUE** publishes *Local Tax Distributions* every two months. This is the source for local room tax.

**WASHINGTON STATE LABOR AREA SUMMARIES** is published monthly by Washington State Employment Security. It contains both labor statistics and price index data. It has a lag of one to two months.